

Message Text

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PAGE 01 STATE 209423
ORIGIN EB-08

INFO OCT-01 EA-10 ISO-00 COME-00 STR-07 EUR-12 INT-05
AGRE-00 TRSE-00 ITC-01 CEA-01 CIAE-00 INR-10
NSAE-00 INRE-00 SS-15 SSO-00 NSCE-00 SP-02 /072 R

DRAFTED BY EB/OT/TA:JRCUNNINGHAM:PRM

APPROVED BY EB/OT/TA:HKOPP

COMMERCE:WPENOYAR

STR:WBARREDA

EA/J:MMEYERS

-----005976 172228Z /14

O 172200Z AUG 78

FM SECSTATE WASHDC

TO AMEMBASSY TOKYO IMMEDIATE

INFO AMEMBASSY TAIPEI IMMEDIATE

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FOR ASST. STR LANDE

E.O. 11652: N/A

TAGS: ETRD, JA

SUBJECT: FOREST PRODUCTS - LANDE DISCUSSIONS WITH GOJ

1. DURING CONVERSATIONS WITH GOJ IT WOULD BE HELPFUL
IF YOU REVIEW FOLLOWING (A) STATUS OF FORESTRY AGENCY
LUMBER DEMAND FORECASTS. WAKA ASSURED PENOYAR AND
CUNNINGHAM DURING HIS US TRIP THAT FORECASTS ARE NOT AND
WILL NOT BECOME A FORM OF ADMINISTRATIVE GUIDANCE.
CANADIAN GOVERNMENT OFFICIAL IN TELCON WITH CUNNINGHAM
IMPLIED THAT GOJ MAY BE CONTEMPLATING GOING FURTHER.
WE HAVE NO FIRM INFORMATION SO INQUIRY ON OPERATION OF
SCHEME WOULD BE APPROPRIATE.

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PAGE 02 STATE 209423

(B) DISCUSSION OF TERMS OF REFERENCE FOR JOINT GOVERNMENT
FOREST PRODUCTS REVIEW GROUP.

(C) INFORMATION ON HOUSING STARTS AND MOC PROGRESS TOWARD
MEETING BUILDING GOALS.

(D) DISCUSSION OF FORUM FOR CONTINUING DISCUSSION OF PLY-
WOOD STANDARDS. HAVE JAPANESE DETERMINE WHETHER OR NOT

THEY WANT USG TO SHIP SAMPLE MATERIALS AS OFFERED JUNE 20
IN WASHINGTON?

(E) HAS GOJ HAD OPPORTUNITY FOR INFORMAL REACTION TO
PROPOSED JOINT HOUSING COMMISSION?

2. WE BELIEVE NEXT STEP IN FOREST PRODUCTS AREA MUST BE
A) VISIBLE PROGRESS TOWARD PURCHASE OF MORE HIGHLY
PROCESSED GOODS AND B) FORMATION OF JOINT GOVERNMENT
STUDY GROUP. FIRST OF THESE REQUIRE JAPANESE ACTION.
YOU SHOULD INQUIRE ABOUT PROGRESS TO CONFIRM OUR CON-
TINUING INTEREST. "B" DEPENDS ON USG MAKING PROPOSAL.
FURTHER DISCUSSION OF GOJ ATTITUDE WOULD BE HELPFUL.

3. GOJ TREATS FOREST PRODUCTS AS AGRICULTURAL THEREFORE
IT WOULD BE APPROPRIATE IF MINISTER NAKAGAWA'S TEAM IS
PREPARED TO DISCUSS TARIFFS ON THESE PRODUCTS DURING
THEIR SEPTEMBER VISIT TO WASHINGTON. YOU MAY SUGGEST
TO MAFF OFFICIALS OUR CONTINUED NEED FOR AN OFFER ON
THESE PRODUCTS.

4. INDUSTRY SOURCES CONFIRM LOG PRICES IN US HAVE
INCREASED RECENTLY IN RESPONSE TO GROWING DOMESTIC AS
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PAGE 03 STATE 209423

WELL AS EXPORT DEMAND. THEY DO NOT SEE ANY DISORDER IN
THE MARKET.

5. EXPORT STATISTICS

- SOFTWOOD LOGS (000 MBF)

- JAN - JUNE ANNUALIZED 78 PCT CHANGE 77/78

KOREA	225	450	#122
JAPAN	1,341	2,682	# 9
OTHER	152	304	- 6
TOTAL	1,718	3,436	# 15

- SOFTWOOD LUMBER (000 MBF)

KOREA	2	4	#100
JAPAN	203	406	- 7
OTHER	498	996	# 2
TOTAL	703	1,406	- 1

6. ALTHOUGH ANNUALIZING 1978 FIGURES INDICATES 9 PERCENT

INCREASE IN LOG SHIPMENTS TO JAPAN OVER 1977, INDUSTRY
EXPECTS VOLUME DURING LAST HALF OF 78 TO DROP 10-15 PER-
CENT BELOW FIRST HALF FIGURES FOR YEARLY TOTAL ABOUT
EQUAL TO LAST YEAR.

YEAR, BUT RECENT INDICATIONS SHOW THIS MATERIAL IS NOT
ENDING UP IN JAPAN AS SOME PEOPLE HAVE RECENTLY STATED.
KOREA IS USING MUCH OF THIS MATERIAL THEMSELVES AND ALSO
SENDING SOME LUMBER TO ARAB COUNTRIES. VANCE

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Message Attributes

Automatic Decaptoning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: WOOD PRODUCTS, BRIEFING MATERIALS
Control Number: n/a
Copy: SINGLE
Draft Date: 17 aug 1978
Decapton Date: 01 jan 1960
Decapton Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: JRCUNNINGHAM:PRM
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780337-0128
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780852/aaaabrgb.tel
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Litigation History:
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Review Exemptions: n/a
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Review Release Date: N/A
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Review Withdrawn Fields: n/a
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Status: NATIVE
Subject: FOREST PRODUCTS - LANDE DISCUSSIONS WITH GOJ
TAGS: ETRD, JA
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Type: TE
vdkgvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/650e7061-c288-dd11-92da-001cc4696bcc
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